REMARKS/ARGUMENTS

Restriction Requirement

Applicants hereby affirm the election of Group I, in which the claims are drawn to compounds in which $Z^1 = Z^3 = N$ and $Z^2 = CR^1 =$. The claims have been amended to conform to the restriction. No new matter is added by these amendments.

The claims stand rejected for being directed to an improper Markush group. As noted on page 3 of the Office Action, amendment of the claims to be directed to a single restriction group will overcome this rejection. Since the claims have been so amended, the rejection should be withdawn.

Rejections under 35 U.S.C. §112, second paragraph

Claims 1-17 stand rejected for allegedly being indefinite for use of the term "general" in the preamble. The claims have been amended to remove this term.

Claim 8 has been rejected because it is a composition claim that does not refer explicitly to the presence of a carrier or a component other than the compounds of the invention. To expedite prosecution, claim 8 is cancelled.

Claims 9 and 11-12 stand rejected for allegedly being unclear as to whether they encompass compositions or compounds. To expedite prosecution, these claims are cancelled.

The reference to "diabetes" in claim 14 allegedly renders this claim unclear. Claim 14 has been cancelled.

Claim 13 stands rejected because the diseases treated by the compounds of the invention is allegedly unclear. To expedite prosecution, this claim has been cancelled.

Claims 15-17 stand rejected for failure to recite particular method steps. To expedite prosecution, these claims have been cancelled.

Rejections under 35 U.S.C. §101

Claims 15-17 are rejected under 35 U.S.C. §101 for allegedly being improper method claims. Claims 15-1 7 have been canceled and the rejection should be rendered moot.

Appl. No. 10/537,227 Amdt. dated September 9, 2008 Preliminary Amendment

Rejections under 35 U.S.C. §112, first paragraph

Claims 1-17 are rejected under 35 U.S.C. §112, first paragraph, as allegedly not providing enablement for use of hydrates of the compounds of the invention. To expedite prosecution and without necessarily acceding to the Examiner's position, reference to hydrates has been deleted in claims 1-7 and 10.

All the claims are further rejected under §112, first paragraph, because the treatment of various categories of disease is allegedly not enabled by the disclosure of the specification. The Examiner does state, however, that treatment of Type-2 diabetes is enabled (see Office Action, page 52, line 3).

If, as acknowledged by the Examiner, the compounds of the present invention are enabled for the treatment of Type-2 diabetes, the rejection of compound and composition claims 1-10 is clearly improper. It is well established that if a compound or composition claim is not limited to a particular use, *any* enabled use that reasonably correlates with the scope of the claim is sufficient to establish that the "how to use" prong of the enablement requirement has been met (*see* MPEP § 2164.01(c)). Since the Examiner has not raised any concerns about the ability of one of skill to make compounds within the scope of the claims, the rejection of these claims is clearly improper and should be withdrawn.

To expedite prosecution, claims 11-17 have been canceled. Nonetheless, applicants respectfully submit that any disease or condition associated with the activity of dipeptidyl peptidase IV can be treated with the compounds of the invention. Applicants specifically reserve the right to pursue the cancelled claims in one or more subsequent application.

Rejections under 35 U.S.C. §102

Claims 1 and 10-17 are rejected under 35 U.S.C. §102(b) as being anticipated by US Patent No. 5,057,517. The Examiner asserts that this patent discloses a compound within the scope of claim1, to the extent it encompasses compounds in which X^3 is $=N-X^4$. Applicants note, however, that claim 2, in which X^3 is an oxygen or sulfur atom is not included in this rejection. To expedite prosecution, claim 1 has been amended so that X^3 has the same scope as in claim 2. Withdrawal of the rejection is respectfully requested.

Appl. No. 10/537,227 Amdt. dated September 9, 2008 Preliminary Amendment

CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested. If a telephone conference would expedite prosecution of this application, the Examiner is invited to telephone the undersigned at 415-576-0200.

Respectfully submitted,

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